

## Policy Report

### Current Trends and Challenges of Trade Unions in Contemporary Belarus

March 20, 2007

#### Introduction

Over a number of years, the independent and democratic trade unions of Belarus have been exposed to an increasing pressure of the authorities. The latter have deepened the watershed between the 'state-favoured' unions and the independent and democratic ones. This publication deals with a range of crucial issues in the trade union movement of Belarus and addresses the challenges that the independent trade unionism currently has. The structure of the paper is as follows. First, a broader political and economic setting of Belarus is provided to uncover the context where trade unions have to operate (section 1). Second, labour market institutions are analysed as a framework defining a range of economic constraints and opportunities for trade unions. The third section describes the organisation and content of trade union movement in Belarus. In the fourth section, the legal framework, within which trade unions operate, is analysed. It has to be noted it is through the laws and, more importantly, their enforcement (or otherwise) trade unions are either provided or deprived of certain opportunities. In this section, the ILO affair is briefly discussed. Based on the analysis made in the sections 1–4, the final section (5) concludes.

#### 1. The Political and Economic Setting of Belarus

The political system of Belarus is characterised by the strengthening of authoritarian policies. Specifically, the circumscription of political rights has begun since 1995 onwards. Various grades of coercion in different spheres of the public life have been employed to suppress the non-governmental social activism. Most seriously, two opposition politicians disappeared; some have been imprisoned although political reasons have never been admitted by the authorities. Also, more nuanced forms of oppression have been applied to. In particular, these forms are informed by a continuous change of the legislation procedures regulating the activities of political parties and public associations. Open spontaneous protests (like unsanctioned meetings) are nearly forbidden, and, if occurred, brutally dispersed by militia (within which a special regiment has been created in 2006 to secure 'the public order' in Minsk<sup>1</sup>). In general, meetings are allowed but a special procedure (including the application to authorities for a permit) has to be fulfilled, and, very often the public body often suggests some distant locality, away from peoples' eyes, for a meeting.

Independent trade unions are also considered as a 'problem' by the authorities. Two leaders of independent trade unions, Messrs A. Yaroshuk (Chairman of the Belarusian Congress of Independent Trade Unions, BCDTU) and A. Bukhvostov (Co-Chairman of the Radio Electronics Workers' Union, REP) were penalised by civil arrest for criticising the court decision (on the closure of the Air Traffic Controllers union) in an independent media (Mr. A. Yaroshuk<sup>2</sup>) and an attempt to picket in the public against the discrimination of independent trade unions (Mr. A. Bukhvostov<sup>3</sup>). In 1999, a President's Decree No. 2 'On Certain Measures to Regulate Activities of Political Parties, Trade Unions and Other

<sup>1</sup> <http://www.charter97.org/bel/news/2005/08/24/omon>.

<sup>2</sup> <http://www.praca-by.info/site/index.php3?l=rus&v=news&data=2003-09-16>.

<sup>3</sup> <http://www.praca-by.info/site/index.php3?v=news&l=rus&id=5691>.

Non-Governmental Organisations' has complicated the registration process and established labyrinthine procedures for the announcement of strikes. Independent trade unions are often unable to register their primary organisations since employers, following the instruction of authorities, are reluctant to provide them with a legal address nowadays set as a precondition for legal registration. The absence of the latter implies the inability to conduct collective bargaining and sign collective agreements (and, therefore, to protect the rights of workers)<sup>4</sup>.

When dealing with a broader socio-political environment of Belarus, it is necessary to emphasise that the alternative viewpoints are hard to articulate and advance publicly. Surveys conducted by the Independent Institute of Socio-Economic and Political Studies (whose activity was forbidden at home so it has been forced to move to Lithuania<sup>5</sup>) show that 62.6 per cent of the population obtain information on social and political events mainly from the state-run TV and magazines<sup>6</sup>. These sources are exclusively controlled by the state. Accordingly, they tend to translate and promote a biased point of view<sup>7</sup>. There seems to be a scope for manipulation with the public opinion, including on the independent trade unions.

The periodicals are also controlled by the government. The editor-in-chief of a single nation-wide trade union newspaper, 'Belaruski Chas' (Mr. A. Starikovich) has been fired and a new, much more loyal to the new leadership of the FTUB, person has been employed. Another media, aspiring to a status of an alternative nation-wide trade union newspaper 'Solidarnast' (established by the Belarusian Independent Trade Union in Soligorsk) has been deprived of an opportunity to be published and disseminated in Belarus and gone online<sup>8</sup>.

The economic situation in Belarus is also bearing a stamp of authoritarian policies. In general, the economy of Belarus is characterised by the dominance of the state in various markets and sectors<sup>9</sup>. But it has to be admitted that one of the major problems, such as the balance-of-payments constraint (that resulted in devaluation-inflation spiral prior to 2002) has been somewhat lessened due to the ability to collect foreign exchange from exports of refined oil to the EU countries. However, productivity dynamics (as the essential background for securing wage increases) has not been impressive, and real wages sometimes have been growing above productivity (as a part of the political business cycle, see below). More fundamentally, money earned through oil exports along with a cheap gas supplied from Russia have not been adequately utilised, i.e. not channelled into a serious modernisation of domestic production facilities. The agricultural sector has attracted the majority of state funds, but its performance has remained weak (given the level of profitability and incomes as compared to funds invested). In order to keep inflation in check, the government has not only prevented devaluation (and thus made exports more sensitive to wage costs), but also allowed relatively high loan interest rates and encouraged growth of expensive (especially in comparison with the new member states of the EU) consumer credit. As a result, money earned by relatively better-paid employees has been in a way 'bounded' in the national monetary system, thereby preventing the excessive demand that might unchain the inflationary spiral again.

---

<sup>4</sup> See, for instance, an opinion expressed by a trade union activist at: [http://www.bkdp.org/articles\\_special\\_1\\_7.htm](http://www.bkdp.org/articles_special_1_7.htm).

<sup>5</sup> In general, the authorities have established controls over the sociological studies, see information at [http://news.bbc.co.uk/1/hi/russian/news/newsid\\_4437000/4437450.stm](http://news.bbc.co.uk/1/hi/russian/news/newsid_4437000/4437450.stm).

<sup>6</sup> Data and report are available at <http://research.by/eng/surveys/bb0343a6a9bdb701.html>.

<sup>7</sup> This is not submerged by the authorities: [http://www.cjes.ru/bulletin/?bulletin\\_id=1991&country=SNG](http://www.cjes.ru/bulletin/?bulletin_id=1991&country=SNG).

<sup>8</sup> <http://www.praca-by.info/site/index.php3?l=rus&v=news&data=2006-02-09>.

<sup>9</sup> The World Bank has prepared a report on the economic situation in Belarus, available at [http://siteresources.worldbank.org/INTBELARUS/Resources/328178-1120132035392/1365350-1120132328436/cem\\_by06\\_full.pdf](http://siteresources.worldbank.org/INTBELARUS/Resources/328178-1120132035392/1365350-1120132328436/cem_by06_full.pdf).

As soon as problems of high inflation and devaluation were over, and rates of economic growth has increased and the poverty levels went down. The authorities have begun to appeal to the (arguable) successes of the 'Belarusian economic model'<sup>10</sup>. Despite the ambiguity of the government's propaganda, it has to be nevertheless admitted that a certain level of economic prosperity has been achieved. In contrast to the late Soviet Union and particularly the early 1990s, consumer opportunities have greatly expanded. Also, some business opportunities have been created anyway and exploited accordingly. As a result, there is some legitimacy has been gained from the improved economic situation despite of the numerous problems that still exist in a weakly reformed Belarusian economy.

A more realistic assessment of the economic situation could reveal a different picture: there are lots of social problems that are not resolved at all. For instance, small towns are often filled with unemployed; labour mobility is constrained. Also, there is a big unofficial labour market. Scarce employment opportunities at home push people to Russia to seek employment in the construction or service sectors, usually abroad. The Ministry of Interior of Belarus has estimated that up to 300,000 people work illegally in Russia<sup>11</sup>. Finally, wages in Belarus appear not to be very high as compared with the neighbouring countries<sup>12</sup>. Some enterprise, especially the ones located in the regions, pay low or even survival wages, and there are no prospects for their increase. The desperateness of the situation could become more salient if a more nuanced, comprehensive account of the situation is presented. Here the role of local trade unions might be crucial (in cooperation) with the opposition forces to reveal the truth behind the façade of the official propaganda.

## **2. Labour market institutions and trade unions**

### *Employment regulation*

The labour market in Belarus remains tightly regulated by the government. There are not only political, but also economic reasons for such controls. Adjustment to economic changes had initially been carried out by such modes as hidden unemployment, administrative leaves, wage delays, and payments in kind. In general, over the medium term the quantitative analysis shows that the dynamics of employment appears to be insensitive to the dynamics of GDP<sup>13</sup>. This suggests that there are the channels of adjustment to changing market conditions not captured by the official accounting procedures. Indeed, the results of the first Labour Survey carried out in Belarus in 2006 showed that unemployment rate might be about 7–8% instead of the official figure of 1.5%<sup>14</sup> (that captures officially registered people only). This implies that there are numerous opportunities 'exit' for employees in case they face troubles at the 'official' labour market. Accordingly, the existence of informal channels reduces the demand for trade union 'services', especially the protection of jobs and wages, and claims to the government concerning job creation. So far, the government has seemed to be tolerating these informal mechanisms of labour market adaptation. It is only in 2006, there have been policy proposals made to somehow account for existing informal institutions, starting with understanding the scope of the problem (that is why the first nation-wide Labour Survey has been carried out)<sup>15</sup>. Nevertheless, no policy propositions have been either made or implemented.

---

<sup>10</sup> One of the essential features of the model has been high rates of economic growth and incomes, see [http://belniva.by/index.php?option=com\\_content&task=view&id=376&Itemid=43](http://belniva.by/index.php?option=com_content&task=view&id=376&Itemid=43).

<sup>11</sup> See [http://naviny.by/rubrics/economic/2006/11/17/ic\\_articles\\_113\\_148705/](http://naviny.by/rubrics/economic/2006/11/17/ic_articles_113_148705/).

<sup>12</sup> A detailed analysis of the labour market problems is available at [research.by/pdf/WP2005r02.pdf](http://research.by/pdf/WP2005r02.pdf). The paper has been prepared by Haiduk et al. (2005) *Labour Market in Belarus: An Overview*, *CASE Research and Analysis*, No. 313, CASE Foundation: Warsaw.

<sup>13</sup> Chubrik et al. (2006) *Macroeconomic Relationships in the Belarusian Economy: The Results of Econometric Modelling*, St. Petersburg: Nevsky Prostor.

<sup>14</sup> Some information is available at [http://naviny.by/rubrics/economic/2006/11/17/ic\\_articles\\_113\\_148705/print](http://naviny.by/rubrics/economic/2006/11/17/ic_articles_113_148705/print).

<sup>15</sup> Visit [http://naviny.by/rubrics/economic/2006/11/17/ic\\_articles\\_113\\_148705/](http://naviny.by/rubrics/economic/2006/11/17/ic_articles_113_148705/).

The most notable Belarusian 'innovation' at the labour market regulation has been the introduction of a so-called 'contractual form' of employment. This means the substitution of conventional, indefinite-time labour contract for fixed-term ones. Such a measure has been officially presented as a way to improve the motivation and discipline among employees and to follow the experience of the Western countries. However, no one has noted that fixed-term contracts are considered to be abnormal form of hire by the EU's Maastricht Treaty, and only approximately 20% of the EU's workforce is employed by using fixed-term contracts (according to the European Trade Union Confederation)<sup>16</sup>. In Belarus, it is estimated that more than 80% of the so-called 'real' sector workers and 100% of the public sector workers are employed on the basis of fixed-term contracts. This measure allows employers to threaten their workforce with a job loss. Currently, this regulation is used to dismiss activists of independent trade unions and threaten the actual and potential members of independent and democratic trade unions (see below)<sup>17</sup>.

For instance, in the course of 2006, representatives of enterprises' administrations had overtly demanded from workers to leave their primary organisations by threatening them with a loss of social preferences or even a job as such. In the latter case, a threat of non-extension of a contract for the next term has been applied widely. Consequently, the membership of many of the primary organisations has declined. For instance, in 2006, the primary organisation of the BNP at 'Grodno-Azot' Open J.S.C now has 300 members instead of 850, and the primary organisation of 'Belshina' Open J.S.C has lost about two-thirds of its members, while about 100 people has left an SPB's organisation at Bobruisk plant of tractor components and aggregates<sup>18</sup>.

#### *Wage setting and the political business cycle in Belarus*

Since 1992 onwards, the wage setting has been drifting away from a decentralised system toward strengthening of government regulation in this area, although a number of elements of collective bargaining have been left intact. Prior to 1998, enterprise-based unions appeared to be strong enough to set up wages independently of other enterprises in other branches and economy as a whole. The absence of a coherent nation-wide wage setting as well as the support of workers' collectives had allowed decentralisation to flourish until intra- and inter-industry wage differentiation had become notable<sup>19</sup>. The government has become aware of this situation and since 1998 onwards a number of regulations have been adopted to restrict the decentralising impact of collective bargaining agreements.

It has to be maintained that collective bargaining in Belarus takes place at numerous levels. However, there is no strict hierarchy, but a coexistence of nation-wide, regional, branch, and enterprise levels of bargaining. Often, bargaining has formal character. Although almost every enterprise has its collective agreement, many of them remind a sort of general plant on production and socio-cultural issues. Recently, what increasingly matters in Belarus in wage setting is the government's intervention resulted in the existence of the so-called 'political business cycle'<sup>20</sup> partially substituting the activities of trade unions.

---

<sup>16</sup> See, for instance, <http://www.eurofound.europa.eu/eiro/1998/02/feature/eu9802183f.html> for earlier information. More recent information is available at <http://www.etuc.org/a/2356>.

<sup>17</sup> Numerous cases are reported at <http://www.praca-by.info>.

<sup>18</sup> Information is collected from the personal interviews with the trade union's leadership.

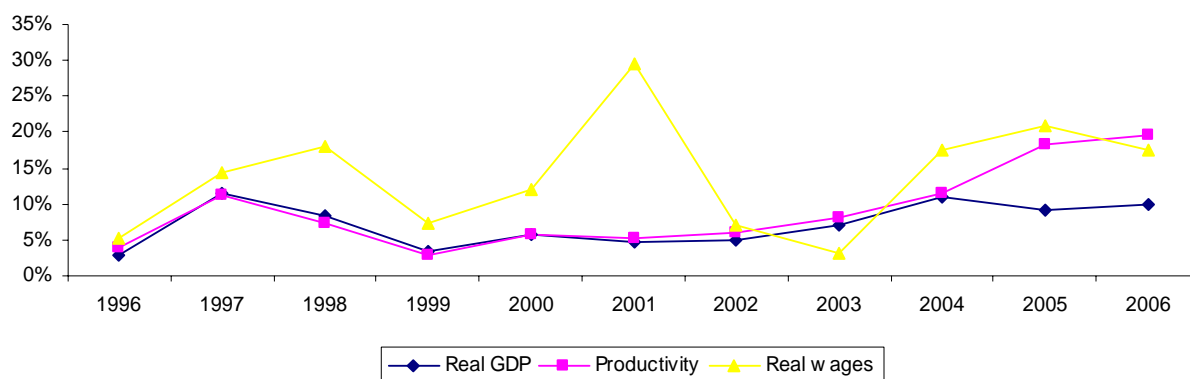
<sup>19</sup> See Haiduk et al. (2004) *The Belarusian Economy at a Crossroads*, Moscow: Aveks/ILO.

<sup>20</sup> See Haiduk et al. (2005) *Labour Market in Belarus: An Overview*, CASE Research and Analysis, No. 313, CASE Foundation: Warsaw, available also at: [research.by/pdf/WP2005r02.pdf](http://research.by/pdf/WP2005r02.pdf).

One of the most notable outcomes of the state regulation of wage setting has been a continuous gap between real wages and productivity. In East-Central European countries, at least prior to 1998, a reverse situation has been observed<sup>21</sup>. In the Belarusian economy, wages-productivity gap indicates the importance of the labour market regulation by the state and, at the same time, suggests that there is a need for market reforms leading to a productivity upgrade. It is not all industries that display such a gap, but many of them record it, and, accordingly, thus informing the economy-wide difference in the dynamics of real wages and productivity (see figure 1). It is only recently the gap has been narrowed down. Such a gap suggests of the existence of what is called 'the political business cycle'.

It is based on the increases of real wages above productivity growth rates by manipulating with the various components of wages to achieve their raise (see table 1). It appears that the government skilfully manipulates with wage setting and thus partially substitutes trade union's role in this process by using political business cycle. Another way to constrain the unions' actions is to manipulate with the legal framework (see section 4 below).

**Figure 1: Real GDP, productivity and real wages**



Source: own calculations of the basis of the Ministry of Statistics and Analysis data.

**Table 1: The Political Business Cycle in Belarus**

Events	USD wage		Wage debts
	Growth rate	Target level	
14 May 1995: referendum	160% yoy - May 1995 188% yoy - June 1995	--	--
24 November 1996: referendum	Real wages decreased after a-- month	--	September 1996. - 24% of the total wage fund; October 1996 - 6.5% of the total wage fund
9 September 2001: presidential elections	36% yoy - 1999, USD 100 44% yoy - 2000, September 2001 58% yoy - January-August 2001	--	by August 2000 - 17% of the total wage fund, September 2000 - August 2001 - 2.4% of the total wage fund (August 2001 - 0.5% of the total wage fund). After the elections: growth by 15 times.
17 October 2004: referendum	28.6, 40.5 и 43.5% yoy - October, November, and of 2004; December 2004, respectively	--USD 200 by the end of 2004; USD 250 by the end of 2005	Almost no debts since September 2003 onwards

Source: Chubrik et al. (2006) *Macroeconomic Relationships in the Belarusian Economy: The Results of Econometric Modelling*, St. Petersburg: Nevsky Prostor, Chapter 3.

<sup>21</sup> See Galgóczi, B. (2002) 'Wage Trends in Central and Eastern Europe'. *Labour Education, Paying Attention to Wages*, 2002/3, Number 128, pp. 39-44.

### 3. Trade union organisations and their role

#### *The Federation of Trade Unions of Belarus and its predecessor*

The collapse of the USSR has produced new challenges for the trade unions. The successor organisation in Belarus, the Federation of Trade Unions 'Belorusskaya' (FPB) had been facing a declining output, falling real wages and high inflation. In 1994–1995, the Federation had supported the protests of spontaneous strikes of 1995 against wage delays. According to some estimates, one of the meetings attracted about 13,000 protesters; 200 of them rushed towards the building of the Presidential administration and asked him to visit their enterprise<sup>22</sup>. Since 1995, the leadership has displayed some signs of discontent with the policies of the President. Mr. Gontcharik negatively evaluated the attempts to strengthen government regulation instead of policies of job creation, support of domestic producers in conjunction with creation of favourable conditions for foreign investors<sup>23</sup>. The Federation had taken part in initiation of several relatively big strikes in summer 1996 (at 'BelVAR' production had been stopped) as a protest against wage delays. The Federation also supported the demands of petty entrepreneurs and traders to abolish backward introduction of new taxes. But more fundamentally, the Federation supported the Supreme Soviet by calling it, despite 'mistakes and shortcomings', a 'sort of reflection of society' and stressing that a singular viewpoint [shall not] be forced upon it<sup>24</sup>.

However, the capacity to develop a well-structured argumentation against the government policies has not been demonstrated widely. Instead, the activism has been shifted to enterprise level. The evidence on wage setting can be called upon the support this claim. Until 1998, there had been a strong trend for wage decentralisation, as enterprises had expanded their wage autonomy over the industry level, not to speak of a national one. The minimum wage had lost its meaning: instead, it had been used for some sort of accounting purposes<sup>25</sup>. In similar fashion, the trade unions have not pushed for revision of the consumer baskets, despite the calls of a number of trade union leaders to do so. As a result, the government had probably perceived unions as weak in the sense of their capability to protest. Nevertheless, the FPB had managed to express criticism of the government's policies within the framework of the National Council on Labour and Social Issues (NCLSI).

Within the Federation of that time, there were forces oriented towards more substantial change. These are typically associated with Messrs Bukhvostov, Fedynich and Yaroshuk (the leaders of two branch unions). Nevertheless, Mr. Gontcharik himself, although being an apparatchik, had strived for some new developments. In particular, the Federation had begun the process of entry into the International Confederation of Free Trade Unions (ICFTU), a democratic international forum uniting many trade union organisations across the world. However, the Federation has never become the fully-fledged member of this international body. On the one hand, in order to reach this goal, an organisation is supposed to pass a number of procedures. On the other hand, the events of 2001 had changed the government's attitude towards Mr. Gontcharik and, hence, the Federation as such.

This change in the attitude is related to the promotion of the Federation's Chairman as an opposition candidate for the presidency. Since that time, the government's stance has become different. An attack was launched upon the Federation and some of the leaders of branch trade unions that displayed independence and expressed their strong criticism towards the government policies. These were the Belarusian Automobile and Agricultural Machinery Workers' Union (ASM) chaired by Mr. A.

---

<sup>22</sup> Data are taken from the archive of [www.praca-by.info](http://www.praca-by.info) and other trade union media; and also Mandel, D. (2004) *Labour after Communism*, Montreal: Black Rose Books.

<sup>23</sup> Profsoyuznoe Obozrenie, No. 9, 1996, p. 7.

<sup>24</sup> Belorusskaya Delovaya Gazeta, October 14, 1996, p. 3.

<sup>25</sup> Haiduk et al (2004) *The Belarusian Economy at a Crossroads*, Moscow: Aveks/ILO, and particularly Chapter 2.6.

Bukhvostov, the Belarusian Radio and Electronic Industry Workers' Union (REP) chaired by Mr. G. Fedynich, and the Agricultural Workers' Union chaired by Mr. A. Yaroshuk. Prior to that, in February 2000, the Head of the Presidential Administration, Mr. Mikhail Myasnikov, ordered to create conditions for non-re-election of these three stubborn union leaders<sup>26</sup>. First, some measures had been employed at lower levels of branch hierarchy: trade union activists were fired, and some primary organisations (at large industrial enterprises, such as 'Integral' plant in Minsk, Rechitsa Hardware Plant, etc.) left their branch unions.

By that time, the authorities have recognised that at least there is some potential for political deviation that could be released. Indeed, the FPB had more than 4 million members (and still have them now). As in Western Europe, trade unions sometimes can play a decisive role in elections by providing or otherwise the support to certain political forces. Although elections in Belarus have often been frequently estimated as fraudulent by international organisations, such as the OSCE<sup>27</sup>, the authorities still rely on the consensual support of the majority of citizens. Even the independent opinion polls shows that opposition leaders hold a minority; in percentage points they are by many times behind the dominant political establishment<sup>28</sup>.

After the defeat of Mr. Gontcharik at the elections in 2001, a new Chairman, Mr. F. Vitko had continued to display some sort of independent position towards the government. In particular, he started to cooperate with the ILO to set up a policy centre under the joint auspices of the Federation and the ILO in order to gain an independent expertise of the economic situation from a trade union's point of view. However, Mr. Vitko soon left the Federation for a diplomatic career.

The authorities have recognised that potentially trade unions could be a force expressing discontent within the Belarusian society. Accordingly, it was decided to deal with the emerging (albeit really decisive) stubbornness of the Federation by economic means, namely by cutting it off the funding it used to rely upon. Specifically, the Council of Ministers has adopted a resolution that banned the transfer of trade union membership dues through accounting departments of the enterprises. In the USSR and after its collapse, dues used to be automatically deducted from monthly wages (at a rate of 1%). After this new resolution, the funds available to unions declined considerably across various enterprises and branches. A small survey conducted by the Radio 'Svaboda'<sup>29</sup> right after the event showed that workers were reluctant to pay their dues by cash. Consequently, the unions have begun to experience a reduction of the volume of funds available to them. However, this revealed the attitude of members of trade unions towards their organisations. The costs of going to the cashier and paying dues appeared to be higher than the membership in the union.

As a result, the leadership of the Federation had been facing a credibility problem. Member unions had begun to question the ability of the Chairman to communicate with the government: his (and his predecessor's) stubbornness went perhaps 'too far' and there was a need to find a way of out this artificially created crisis in the relationships.

Here a new candidate has been proposed to chair the Federation, Mr. Leonid Kozik, the Deputy Head of the Presidential Administration (and the former Chairman of Belarus-Iraqi Commission on Cooperation). Some consultations have been held with the delegates of the Federation's Plenum right

---

<sup>26</sup> This is reported at [www.praca-by.info](http://www.praca-by.info). Also, information is available at [http://www.ng.ru/cis/2000-07-08/5\\_minsk.html](http://www.ng.ru/cis/2000-07-08/5_minsk.html).

<sup>27</sup> For instance, information can be found at <http://ru.belarusselections.info/archive/2004/monitoring/0039357/>.

<sup>28</sup> The most recent opinion poll shows that more than 50% of voters support the President of Belarus, while opposition politicians jointly have about 18%; data can be found at: <http://www.iiseps.org/poll07.html>.

<sup>29</sup> The web address is [www.svaboda.org](http://www.svaboda.org).

before it was held. Also, there was information spread that support of Mr. Kozik would mean the cancellation of the Council's transfer ban. Indeed, Mr. Kozik's accession to office in 2002 soon resulted in the restoration of the system of bank transfer of dues. The Federation has also been granted with some economic preferences (like the creation of a special 'innovation' fund, etc.). The full compliance with the government's policies is also reflected in the return of word 'Belarus' in its name: according to a President's order, only those organisations that represent the country 'truthfully' deserve to use this word. Accordingly, the Federation has been renamed to the Federation of Trade Unions of Belarus (FTUB).

By April 2004, the opposition inside the FTUB has been exterminated. In particular, the only independent union, the REP, has left the Federation. As for other branch unions, they have switched to a policy of compromise with the leadership. The latter has expressed its support for the government's policy by suggesting only some cosmetic corrections.

In August 2004, a new legal measure has begun to be prepared, namely a draft law 'On the Introduction of Changes in the Law of the Republic of Belarus "On Trade Unions"'. This document had been kept secret for broader public and also independent trade unions. Its core aim was to establish new membership thresholds that enfeebled independent trade unions could not pass. Specifically, for a nation-wide union to be registered, membership is supposed to be no less than 7,000 members. The authorities referred to an 'international experience', like the Belgian one (a country with the similar population size), ignoring the fact that the Belgian legislation provides membership threshold for a union willing to sign up a nation-wide wage agreement; otherwise, bottom-lines are not needed at all<sup>30</sup>. The ILO affair has prevented this draft to be translated into the Law, but it is premature to say that the government full rejected this idea as such.

#### *The ILO affair*

Briefly, the ILO affair is about a complaint lodged against the Government of Belarus by some of the trade unions (including the REP, the ASM, and the member organisations of the BCDTU.). The ILO initiated the Case No. 2090 on violation of the trade union rights by the Government of the Republic of Belarus. In March 2001, the ILO Administrative Council sent a number of recommendations on the elimination of these violations to the Belarusian authorities. In November 2003, following the Belarusian authorities' systematic violations of trade union rights, the ILO Governing Body decided to appoint a Commission of Inquiry in accordance with Paragraph 26 of the ILO Statute. By May 2004, the Commission of Inquiry conducted its mission on objective fact investigation directly in the Belarus and then at closed hearings of the case in Geneva. The investigation, which lasted for six month, resulted in finding evidence of serious violations of rights of workers in Belarus. The Commission's recommendations include immediate registration of trade union organisations involved in the complaint and the elimination of all obstacles to the right to organise created by current Decrees, rules and regulations; guaranteed protection to carry out their activities freely for those organisations that have suffered interference with their internal affairs; and the wide dissemination in Belarus of all its conclusions and recommendations without a delay. Several of the Commission's recommendations carried a deadline of June 1, 2005. This deadline has not been respected, and the ILO referred to the EU to withdraw Belarus from its Generalized System of Trade Preferences (GSP). The government reacted immediately by displaying its willingness to improve the situation, but the EU has nevertheless decided to apply the sanctions valid since the mid-2007 if no improvement is observed.

---

<sup>30</sup> <http://www.eurofound.europa.eu/eiro/2006/03/articles/be0603019i.html>.



Indeed, being threatened with the withdrawal of the EU's trade preferences (provided within the GSP framework<sup>31</sup>), during autumn 2006 the Belarusian authorities have made some feeble attempts to follow the suggested way. In particular, the President of Belarus publicly expressed his intention to make a process of registration of public organisations, including trade unions, more convenient than before. It has been claimed that a new Law 'On Trade Unions' planned for adoption by the end of 2007 would contain some new clauses. For instance, the demand to have a legal address for a trade union organisation to be registered might be cancelled. So far, this requirement has been the major obstacle to a legal activity of trade unions. Besides that, the ILO recommendations have been published in a government newspaper '*Respublika*' ('The Republic'). Further, a representative of the independent trade union centre, the Belarusian Congress of Democratic Trade Unions has been invited to take part in the work of the NCLSI. Last, but not least, the Deputy Chairman of the Air-traffic Controllers' Union, Mr. Oleg Dolbik, has been restored at his working place that he lost in 2004 due to trade union activity in January 2007.

#### *Non-FTUB Trade Union Organisations*

- The BCDTU and its member organisations

The Belarusian Congress of Democratic Trade Union (BCDTU) was set up in 1993 as a nation-wide trade union centre alternative to the FPB. Originally, it consisted of two unions: the Belarusian Independent Trade Union (BNP) and the Belarusian Free Trade Union (SPB). Later, some new organisations joined the BCDTU, namely the Belarusian Free Metal Workers' Union (SPM), the Belarusian Democratic Transport Workers' Union (DPT), and the Trade Union of Teachers (the latter two ceased to exist after some time). In 2002, the Belarusian Air Traffic Controllers' Union became a BCDTU member, but in August 2003 this union's activity has been stopped by the authorities. Currently the BCDTU has approximately more than 10,000 members (this figure is provided by the Congress itself). In order to strengthen its position internationally and thus to make position at home a bit more secure, the Congress has become the member of the International Confederation of Free Trade Unions (ICFTU). This signifies that the union is recognised by the international community (in contrast to a partial recognition of the FTUB by some non-ICFTU organisations)<sup>32</sup>.

The Congress has an uneasy record of the relationships with the authorities. For instance, in 1994, the government refused to sign a Tariff agreement with the union, but a year later it had been able to take part in developing and signing of a new agreement. Between 1992 and 1995, membership has increased quite considerably (from 500 in 1992 to 10,000 in 1995)<sup>33</sup>. Being aware of this growing strength, the government had attempted to pressurise the union. One of the most notable attempts was reprisals against a one-week metro strike of August 17, 1995. This has been a precondition for greater protests since Gomel trolleybus drivers and employees of 'Integral' plant had also decided to strike. Since Congress' Chairman of that time, Mr. Gennady Byuikov, had been close to the Belarusian National Front (a national-democratic political union), corresponding political forces had joined the protests. The President and the government reacted harshly by using strike-breakers from Russia and Ukraine and then dismissing the protesters; finally, independent unions of metro workers in Minsk and trolleybus drivers of Gomel were simply outlawed; political parties were threatened with non-registration in case they opt for supporting the strikers.

---

<sup>31</sup> The system allows to access the EU market duty-free or with reduced tariffs. Detailed information is available at [http://ec.europa.eu/trade/issues/global/gsp/index\\_en.htm](http://ec.europa.eu/trade/issues/global/gsp/index_en.htm).

<sup>32</sup> Please go to [http://www.bkdp.org/static\\_about\\_bcdp\\_1.htm](http://www.bkdp.org/static_about_bcdp_1.htm) for more information.

<sup>33</sup> Profsoyuznoe Obozrenie, No. 9, 1996, pp. 7–8.

Under the Gontcharik-led Federation, the BCDTU has allowed to sit at the NCLSI (being the 11th member of the Council with a right to vote), but this does not imply that the relationships between two trade union centres had been smooth. Rather, the Federation had been jealous – as natural to any monopoly striving to preserve its influence – of any alternative organisation trying to break with the Federation's monopoly. However, it had been impossible to ignore the growing strength of independent trade union organisations emerged in the early 1990s as the result of the efforts of those people who were unhappy with the trade unions in the late state socialism. Also, it is likely that the goal of the membership in the ICFTU had forced the Federation to accept the BCDTU at the bargaining table.

Organisationally, the BCDTU consists of a number of unions. First, the Belarusian Independent Trade Union (BNP) created in the early 1990s by the Soligorsk miners. The BNP was initially planned to become a nation-wide union comprising employees of the mining and petrochemical industries (such as 'Belaruskalii' in Soligorsk, 'Nitrogen' in Grodno, 'Polimir' in Novopolotsk and Mozyr refinery). The BNP is financially secure since its major enterprise, 'Belaruskalii', exports potash fertilisers. Also, there is an element of solidarity provided by working conditions. Miners work underground and develop a sense of unity as people facing certain everyday challenge, just like the army people. The union is strong at its enterprise where it tries to achieve its best according to the existing legislation. Currently the BNP unites 7 primary organisations, amounting to a total membership of more than 8,000 people. Primary organisations of 'Belaruskalii', 'Polimir', and 'Azot' are the backbone of the union<sup>34</sup>.

The Belarusian Free Trade Union (SPB) has emerged out of strike committees of 1992. In the beginning, workers of different industries were the members (e.g. from transport, metal-working, education, healthcare, and power engineering), but later even petty entrepreneurs began to join the union (but also leave it). Organisationally, the commonality of interests has been hard to achieve due to diversity of industries of the union's members belong to. However, the union is famous for the Minsk metro strike of August 1995 organised by the SPB. The strike resulted in suspension of the SPB's activity for more than 2 years. In 1999, the SPB took part in the 'alternative' presidential elections held by a disappeared politician, Mr. Victor Gonchar. The 'revenge' from the authorities had followed. In general, the union has been also involved in the oppositional politics by supporting social-democratic political forces. As a result of this involvement, there were hardships deliberately created to undermine the SPB's activity. Most notably, SPB's organisational units were refused registration because of the absence of 'legal addresses'. Currently this union has approximately 1,000 members located across various branches, including such enterprises as Bobruisk Plant of Tractor Parts and Automated Units, the Polotsk Plant 'Steklovolokno', and the Minsk-based Automated Lines Plant.

The Belarusian Free Metal Workers' Union (SPM) is an offspring of the SPB, and unites the primary organisations of the Minsk Automobile Works, the Mogilev Automobile Plant, the Minsk Engines' Plant, the Minsk Tractor Plant, the Brest 'Tsvetotron' plant, and the Minsk Automatic Transfer Lines Plant. In the early 2000s, the SPM had been attacked by the authorities to destroy the independent trade union organisation at the Tractor Plant. As a result, its primary organisation was closed down. As for the Automobile Plant, the organisation stayed unregistered so their members were unable to sign up a collective agreement, etc. However, the SPM has remained active and survived the tough inspection by the Ministry of Justice in 2004. Now it has about 1,000 members (while before the figure was about 3,000). Four primary organisation of the SPM (namely 'Les' enterprise in Orsha, Optical and Mechanical plant in Vileika, Electro-Technical Plant in Minsk, and Motor-building Plant in Zhitkovichi) have signed up their own collective agreements.

---

<sup>34</sup> [http://www.bkdp.org/static\\_struktura\\_1.htm](http://www.bkdp.org/static_struktura_1.htm).

- The REP union

Apart from the BCDTU, there is an evolving independent trade union organisation, now entitled the REP union. It is currently chaired by Mr. Gennady Fedynich, whose union was forced to leave from the FTUB. Initially, the new union welcomed all those activists who left the ASM union protesting against the withdrawal of Mr. Alexander Bukhvostov from its chairman's position. The union has been seen as an additional independent trade union centre that comprises workers across different branches of the national economy. In April 2004, the Ministry of Justice had registered the new union (initially abbreviated the REPAM) officially, but soon decided to change its decision. Specifically, the Ministry of Justice simply 'cancelled' the registration by a direct order. In fact, this runs against the existing legislation that prevents the Minister of Justice to cancel the registration as soon as it is done (although the Ministry could refuse registration). The Supreme Court has left the cancellation decision unchanged so that the union has been forced to return to its REP format. The union is continuing its struggle in very dramatic conditions. However, it has adopted a successful strategy towards defending people at the courts against unfair dismissals, wage issues, etc. As a result, membership has increased by 12% over 2006 to reach 1,500 people. There have been some propositions to unite the efforts of the REP and the BCDTU within the framework of a single organisation. However, these propositions are not yet materialised.

#### **4. Legal constraints**

##### *Registration/non-registration*

There are three obstacles in this area: legal address is a prerequisite for registration; denial of registration by the officials without providing a clear explanation; a pressure upon members put by employers; and, finally, a supportive attitude of the courts towards the decisions made by the officials.

It appears that the authorities have implemented a number of policy tools to hamper the activities of independent trade unions. One of such requirements is to have a legal address for trade unions in order to be registered officially (and, therefore, to conduct necessary activity, including signing up of a collective agreement, etc.). The need to rent an office space is a necessary precondition for a trade union to get registered; otherwise, it can not appeal to the court (a legal address is required as a part of a package of documents). Sometimes, landlords are afraid to provide their private premises for trade unions (being afraid of possible punishment by the executive authorities). Independent unions might hire an office space at commercial rates, but these tend to be very high for them.

Also, the authorities often respond to registration applications by establishing that 'a trade union organisation cannot be registered' instead of 'registration is refused'. In this case, there is formally no ground to make a court appeal against the decision of registration authority. The only way is then to appeal against the actions of officials that issue such a response. In their turn, employer is trying to pressurise the members of independent trade unions. The threat is orchestrated very simply: by noting (either explicitly or implicitly) that a fixed-term contract would not be extended. As a result, some people leave the union, and registration documents have to be resubmitted. This case is observed, for instance, with the REP primary organisation of workers of the Gomel motor car park No.1. Finally, the courts tend to support the decision made by the registration bodies. So far there are no cases of registration following a court's decision<sup>35</sup>.

##### *Dismissals*

Currently employers have acquired a special tool to deal with activists of independent trade unions. This is a 'contractual' form of employment. Clearly, refusal to extend a contract is never claimed to be 'the

---

<sup>35</sup> As it can be seen from various information notes at <http://www.praca-by.info>.

belonging to either trade union', but something like 'an economic necessity'. Among the people dismissed until recently are the Chairman of the SPB's primary organisation at 'Chemical Fibres' plant (a required coordination with the SPB's leadership was simply disregarded), the Chairman of the SPB's primary organisation of the Polotsk Secondary School No. 10, the Chairperson of the Regional Organisation of the Belarusian Trade Union of Cultural Workers, the Vice-President of the liquidated Belarusian Trade Union of Air Traffic Controllers, and so on<sup>36</sup>. Many of these people are unemployed, forced to change their occupation, or rely on occasional jobs to obtain the means of existence.

In general, the core effect of the legal and other administrative barriers to the functioning of independent trade unions is constraints on their membership. However, between 1998 and 2002, there had been the evidence of the growing trust to independent trade unions. In particular, the degree of trust went up from 14.5% (in October 1998) to as much as 34% (in November 2002) and, most recently, to 37.7% (November 2006)<sup>37</sup>. It could be rather realistically expected that as soon as constraints are eliminated or, alternatively, independent trade unions would be strengthened organisationally and financially, membership could grow quite substantially.

## **Conclusion**

As it can be seen from a brief analysis conducted above, the Belarusian independent trade unionism has uneasy record of struggles and conflicts with the authorities. Being aware of the possible union strength, the authorities are keen to maintain the unions under controls. This attitude has become much clearer after the Presidential elections of 2001. On the one hand, there is a sign that the authorities remain sensitive to the issues that are typically of trade union's concern, namely jobs and wages. In fact, the government has employed a number of measures to 'substitute' in some ways the unions' efforts. This is manifested in the existence of the political business cycle. On the other hand, there are 'exit' channels for workforce, thus somewhat reducing the demand for unions' services.

Crucially, the government seeks to discipline workers in a number of ways. At the moment, the most important element of such a discipline is the introduction of fixed-term contracts for a vast majority of the employees. What has been initially planned as a very limited technique to penalise some undisciplined workers is now turned into the instrument of threat. In particular, some trade union leaders have been dismissed by using the non-extension of their fixed-term contracts. So there is an important issue to support those members of trade unions who suffer from their status.

The FTUB displays its compromise attitude towards the authorities. In particular, it has not managed to make any substantial changes into the application of the contract form of employment. In contrast, the independent and democratic trade union organisations appear to be much more active in this regard. Specifically, the independent trade unions have raised the urgency of the contract employment issue several times, but their attempts are blocked by the authorities. The latter has erected a number of legal barriers that are uneasy to overcome. The efforts made by the ILO to influence the attitude of the government of Belarus towards independent trade unions have so far been limited. Nevertheless, there are some very recent signs of awareness such as the postponement of the introduction of a new, less independent union-friendly Law on Trade Unions. Still, one of the major problems independent trade unions experience is the membership. However, the opinion polls show that there is a sufficient trust to independent trade unions so as soon as artificial barriers fall, new members would join these unions.

---

<sup>36</sup> Information is available at <http://www.praca-by.info>.

<sup>37</sup> Data are available at: <http://www.iiseps.org/opros44.html>.

## **Policy Recommendations toward Assisting Independent and Democratic Trade Unions: Enhancing economic and legal security of trade union members**

**Financial Assistance:** Independent trade unionism does not offer safe jobs by definition, and particularly in the authoritarian societies. Reports by the International Confederation of Free Trade Unions ([www.icftu.org](http://www.icftu.org)) show that unionists are repressed for the political reasons in these countries. The situation is less dramatic in Belarus, but the phenomenon of the 'social execution' should be taken into account rather seriously. This mainly includes losing jobs or refusal to sign up fixed-term contracts with the members of the independent trade unions or their leaders. The situation is particularly tense in the regions, where labour markets are much more sluggish than in *oblast* cities or in Minsk. Accordingly, firing means sometimes a prolonged stay with no income. Given this, it could be rational to create a special fund to support the (temporarily) unemployed independent unionists. The core aim is to compensate for a temporary loss of income. The exact amount of financial assistance has to be consulted in each of the cases. But in general, it could be set up at a rate of average monthly wage, paid monthly (250–300 USD per month). As for the duration period, it should be subject to further decisions, too, but could be equal to the average period of finding a new job (currently about 6 months). Such a measure would be not too expensive, while it would make (job) insecurity less acute. Although by official means this may judge illegal, however when no legal opportunities exists to defend the rights of independent unions and their members, and no ways to improve situation in the future, such meaningful actions are needed.

**Legal Assistance:** The functioning of the ILO project in Belarus shows that one of the efficient forms of assistance highly attractive to trade union activists is the provision of legal assistance, ranging from formal consultations to the representation in the courts. The problem with the ILO/international organizations-type of help is that it could not be provided on the official basis, e.g. the legal expert/lawyer of the ILO or any other international organization could not go to the court. What could definitely be efficient to attract new members is to increase the staff (public defence attorneys) dealing with legal cases only. These attorneys could be employed as trade union lawyers or to be hired externally. The affiliation with the union is necessary since for a lawyer it is important to have some type of an ID.

**Labour economists/wage specialists:** unions can be assisted by local labour economists, who should focus exclusively on wage issues.

The problem with the forms of support described above is that they call for some sort of semi-official provision of funds. At a first sight, this might sound inconvenient to those who prefer public education programs and insist on formal cooperation and technical aid. But the latter is increasingly hard to provide officially because of the toughening of the legislation regulating the provision and the use of foreign aid by domestic At the same time, the results of these institutionalized and formalized activity is not automatically straightforward: they have not altered the situation, but rather created a small 'resistance holes' that could be stopped by the government. For instance, the REP union is fighting for a very long time with the legal machinery of the state on the registration issue; the case appears to be extremely hard and laborious to work with. The ILO has already accumulated a long experience working formally (resulting in the stopping the activity of its regional centres by the authorities following the demand of the Ministry of Economy). This experience calls for other forms of assistance. The creation of 'emergency' or 'severance' fund for those who suffer from unemployment, persecution, etc, along with a provision of legal assistance by hired lawyers seem to be the more efficient way to upgrade the unions' capacity to deal with issues they have to deal with.